

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Public Services – Panchayat Raj & Rural Development Dept. – Certain allegations against misappropriation of ZPP General Funds in East Godavari District - Disciplinary action initiated against Sri D.Nagesh Babu, Rtd., Chief Executive Officer, Zilla Praja Parishad, Visakhapatnam District and (1) other under Rule 20 of APCS (CC&A) Rules, 1991 – Inquiry conducted - Charged officer Sri D.Nagesh Babu Rtd., Chief Executive Officer, Zilla Praja Parishad, Visakhapatnam District (Rtd.), expired on 20-3-2024 – Further action abated – Orders – Issued.

PANCHAYAT RAJ & RURAL DEVELOPMENT (VIG.III) DEPARTMENT

G.O.RT.No. 699

Dated: 28-08-2025

Read the following :

1. From the Commissioner, PR&RD Lr.No.1182/CPR.A1/1996, dt.19.02.1997
2. Govt. Memo No.1587/E-IX/1996-2 PR&RD(E-IX) Dept., dt.17.04.1997.
3. Govt. Memo No.2724/Vig.IV/A1/2004-10, dt.18.04.2017
4. Hon'ble APAT OA No.2187/2017 and WP No.14685/2019 filed by Sri Nagesh Babu. CEO (Retd).
5. G.O.Rt.No.576 PR&RD (Vig.IV) Dept., dt.09.10.2020.
6. G.O.Rt.No.275, PR&RD(Vig.IV) Dept., dt.09.09.2009.
7. Hon'ble APAT OA No.05/2010 filed by Sri Nagesh Babu, CEO (Retd).
8. G.O.Rt.No.219, PR&RD(Vig.IV) Dept., dt.27.03.2017
9. Govt. Memo No.1159058/Vig.IV/A1, dt.11.08.2022.
10. Orders of Hon'ble High Court of A.P., in W.P.No.7301 of 2021, dt.13.04.2021.
11. Govt. Memo No.1159058/Vig.IV/A1, dt.11.08.2022.
12. From the Director, State Audit, A.P., Hyderabad, Lr.Rc.No.7681/G1/2009, dt.27.05.2009.
13. G.O.Ms.No.44, PR & RD (Vig.III) Dept., dt.08.08.2022.
14. From CEO, ZPP, East Godavari, Lr.Rc.No.D1/ZPP/493779/2024, dt.29.10.2024.
15. From the Director General of Police, ACB & Vigilance Cr.No.06/RCO-RJY/2016.
16. Special Judge for SPE & ACB cases, Rajamahendravaram, orders dt.31.07.2024 in CC No. 9/2023.
17. From the Commissioner, PR&RD, letter No.2471037/CPR&RD/C-1/2024, dt.07.08.2025.

ORDER:-

In the reference 1st read above, the Commissioner, Panchayat Raj & Rural Development informed the Government that, Sri D.Nagesh Babu while

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working as District Panchayat Officer, Prakasam had committed certain misconduct in not returning the files relating to the allegations of irregular appointments to the concerned section even after his transfer from Prakasam District. Government after examining the same initiated disciplinary action against the Charged Officer and after following due procedure, it was decided to impose a penalty of a 30% cut in pension for a period of six years and accordingly issued a Show Cause Notice dt.18.04.2017, directing him to submit his explanation and again the Charged Officer had submitted his explanation requesting to drop further action against him. The individual filed O.A.No.2187/2017 and W.P.No.14685/2019 challenging the Show Cause Notice dt.18.04.2017 issued by Government. In the reference 5th read above, implementing the final orders issued by Hon'ble High Court in W.P.No.14685/2019, the Government set aside the disciplinary case initiated and Show Cause Notice issued in the references 2nd and 3rd read above respectively.

2. Whereas, in another case, the Charged Officer Sri D.Nagesh Babu, Chief Executive Officer (Retired) was dismissed from service vide G.O.Rt.No.275, PR&RD (ViG.IV) Dept., dt.09.09.2009 in the case of while he was working as Chief Executive Officer, ZPP, Prakasam, for committing grave irregularities in sanctioning the works without notice of Chairman, Z.P., Prakasam and without following the norms and procedure in force. Aggrieved by the said orders, the Charged Officer, had filed O.A.No.5/2010 in the Hon'ble A.P.Administrative Tribunal, and Hon'ble Tribunal while setting aside the dismissal orders, directed for fresh enquiry and accordingly after following due procedure, imposed a penalty of 20% cut in pension for a period of five years against Sri D.Nagesh Babu, Chief Executive Officer (Retired) in the reference 8th read above in this case. Aggrieved by the above orders, the Charged Officer had filed a review petition and the same has been rejected by the Government as it was not filed within the limitation period of three months vide Govt. Memo No. 1159058/Vig. IV/A1, dt.03.07.2020. Further, challenging the above G.O.Rt.No.219 PR&RD (Vig.IV) Dept, dt.27.03.2017 and Govt. Memo No.1159058/Vig.IV/A1. dt.03.07.2020, Sri D.Nagesh Babu had filed W.P.No.7301 of 2021 before the Hon'ble High Court wherein the Hon'ble High Court pronounced the following Order:-

"Since the matter pertains to pension and other retirement benefits and as represented by the learned Counsel final disposal of the matter would take considerable time and also in view of the fact that summer vacation is about to commence, this Court deems it fit, as an interim measure, to direct the respondents to consider the case of the petitioner for payment of pension and other benefits as per law, taking into consideration the extent of penalty and the period of imposition of such penalty as per the terms of the impugned G.O. and Memo, within a period of six (6) weeks from the date of receipt of copy of this order."

In consonance to the above High Court orders dt.13-04-2021, the Govt. vide its Memo No.1159058/Vig.IV/A1, dt.11.08.2022 felt it is not appropriate to consider the case of Sri D.Nagesh Babu, CEO (Retd.) ZPP, Prakasam District, for payment of pension and other pensionary benefits till the disposal of the criminal case registered vide Cr. NO.06/RCO-RJY/2016 U/Sec (1) (d) r/w 13 (2) of PC Act, 1988, dt.30.04.2016, and issued Speaking orders on his request for the grant of full pension and other pensionary benefits, since the Accused Officer, Sri D Nagesh Babu, CEO (Rtd..) ZPP, Prakasam is not entitled for any other pensionary benefits for the present except for the provisional pension which was actually sanctioned to the above individual vide PPO NO.22-023134/SP. And further the W.P.No.7301 of 2021 filed by Sri D Nagesh Babu challenging the punishment imposed by the Government, i.e., 20% pension cut, is still pending before Hon'ble High Court of A.P.

3. Whereas, in another case, in response to the letter of Director, State Audit vide reference 12th read above, regarding certain discrepancies contemplated by the District Audit Officer, State Audit, Kakinada, on the financial irregularities leading to the misappropriation of funds that were noticed during the course of audit on the accounts of Zilla Parishad, East Godavari, for the year 2007-2008, the Director General, ACB., had conducted a regular enquiry into the allegations leveled against Sri D. Nagesh Babu, former CEO, ZPP, East Godavari district, Kakinada. The inquiry revealed that, Sri D.Nagesh Babu, former C.E.O, Z.P.P., East Godavari District, Kakinada, caused a temporary misappropriation of Rs.60,48,091/- and also violated the procedure laid down by Article 294 of A.P. Financial Code vol-I and APPR Act, 1994. Further, he resorted to loss of interest to the Government exchequer to a tune of Rs. 3,31,838.93/- for the late remittance. After the investigation, they submitted a final report recommending for criminal prosecution of the Accused Officer and accordingly, accorded sanction to the Director General, ACB, A.P., for the prosecution of Sri D.Nagesh Babu, the then Chief Executive Officer, Z.P.P., Kakinada (now retired) for the offenses punishable under Sections 13(1)(c), 13(1) (d) r/w 13 (2) of P.C.Act 1988, 406 and 409 IPC, in the reference 13th read above. The charge sheet was filed by the Director General, ACB in a Court of Law. Regarding the misappropriation of funds of ZPP General funds, the CEO, ZPP, East Godavari district in the reference 14th read above, stated that all the funds which are misappropriated by the delinquent Sri D.Nagesh Babu, while working as CEO, ZPP, East Godavari, up to a tune of Rs.65,63,647/- was remitted back to the ZP General Funds as seen from the available records of their office. In the reference 15th read above, the Director General of Police, ACB & Vigilance, has informed that a criminal case was registered against the Accused Officers u/s 13 (1) (c) r/w 13 (2) of the P.C. Act, 1988 and 406,409 r/w 109 IPC on 30.04.2016 registered on 30.04.2016 and prosecution is in process. In the reference 16th read above, the Special Judge for SPE & ACB cases, Rajamahendravaram, issued Docket Orders stating that, the case against Sri D. Nagesh Babu, former CEO, ZPP, East Godavari district, Kakinada is abated as he died on 20.03.2024.

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4. After careful examination of the matter, the Government have decided to abate further action against Sri D.Nagesh Babu, former Chief Executive Officer, ZPP, East Godavari district, Kakinada (Retired), who expired on 20.03.2024. Accordingly, Government hereby abate further disciplinary / criminal action against Sri D.Nagesh Babu, former Chief Executive Officer, ZPP, East Godavari district, Kakinada (Retired), who expired on 20.03.2024, subject to recovery of loss if any, caused to the Government, under rule 9(7) (a) of A.P. Revised Pension Rules, 1980 and the Commissioner, PR&RD is requested to take necessary action for sanction of family pension and other pensionary benefits to the legal heirs of the deceased Government Servant under Rule 9 of APRP Rules, 1980.

5. The Commissioner, Panchayat Raj & Rural Development, A.P., Tadepalli shall take necessary further action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**SHASHI BHUSHAN KUMAR,
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Legal heirs of late Sri D.Nagesh Babu, former CEO, ZPP, Retd), East Godavari dist., through the Commissioner, PR & RD., A.P.

The Commissioner, Panchayat Raj & Rural Development, A.P., Tadepalli, Guntur District.

Copy to:

The Accountant General, A.P., Vijayawada

The O.S.D. to the Deputy Chief Minister (PR, RD, RWS & EFST)

The P.S. to Prl. Secretary to Govt., PR & RD Dept.

Sc/Sf

//FORWARDED::BY::ORDER//

SECTION OFFICER